

PSC NO: 8 GAS
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 8/01/05
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 04-G-1047 DATED 7/22/05.

LEAF: 231
REVISION: 2
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION No. 15

LARGE INDUSTRIAL INCENTIVE RATE (LIIR)
TRANSPORTATION RATE

APPLICABLE TO USE OF SERVICE FOR:

All Customer-owned gas transported by the Company pursuant to a valid Transportation Service Agreement between the Customer and the Company. The Customer must qualify under all conditions and requirements for service under Transportation Service Classification No. 13M and transport, for exclusive Customer use, an annual volume of three hundred thousand Mcf (300,000 Mcf) of natural gas and receive supplies from a Supplier that has met the qualifications from SC 19, Transportation, Balancing, and Aggregation Service.

CHARACTER OF SERVICE:

Interruptible transportation of Customer-owned gas. Except insofar as the Customer reserves firm sales status with respect to identified gas burning equipment, the Company has no obligation to secure gas supplies on behalf of the Customer, and the Customer will be permitted to draw upon the Company's system supply only to the extent that service to Customers under other Service Classifications is not jeopardized or impaired. The Customer's ability to resume firm sales service upon termination of the Transportation Service Agreement will be subject to the availability of sufficient system supplies and to Section 20, General Information, except that no additional dual-fuel capacity will be required.

QUALIFYING CUSTOMERS:

Customers requesting this rate must meet the following requirements:

1. The Customer must provide evidence, to the Company's satisfaction, the Customer has contracted for an expansion of its plant facility or construction of a new facility, or purchase of an existing facility that has not operated for a period of no less than six (6) months, with an estimated project cost of no less than 30 million dollars (\$30,000,000). This amount may include investment in both real and personal property. A Transportation Agreement must be signed with the Company no later than six months after the time when the construction is complete.

Issued by D. J. Seeley, President, 6363 Main Street, Williamsville, NY 14221
(Name of Officer, Title, Address)